



GLOBAL CONSUMER INSIGHTS



FOUR FUNDAMENTAL SHIFTS IN
MEDIA & ADVERTISING DURING 2020

The 'Four Fundamental Shifts in Media & Advertising During 2020' study explores how the sector has transformed during the calendar year.

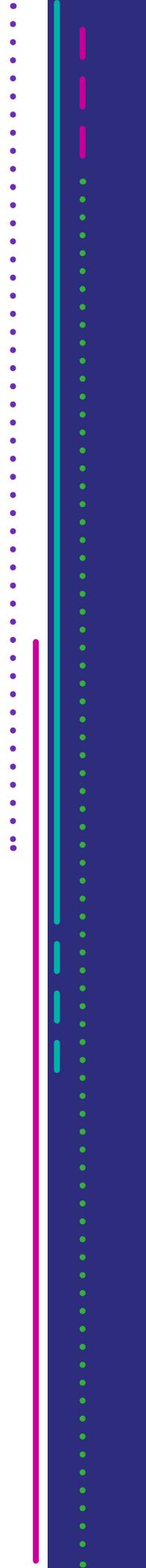
The report considers the impact that emerging device types, evolving news cycles, and new ad technologies have had on consumers' engagement with brand promotions. It highlights where consumers are most receptive to ads, and offers guidance to brands navigating a new normal, characterized by increasing privacy concerns and regulation.

In developing this report, DV worked with Sapio Research to implement an in-depth study with over 10,000 consumers across France, Germany, Spain, the UK and the US — in order to gauge respondent behaviors and attitudes toward content and advertising during the disruption of 2020.

The following trends reveal what the future of advertising looks like against a transformed global landscape and provides vital insights to brands seeking to navigate change.

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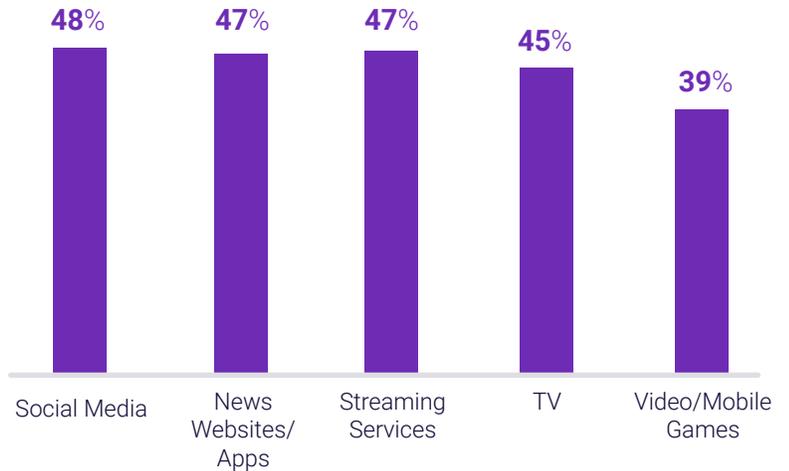
SHIFT
#1

Content Consumption Is Soaring with an Accelerated Appetite for Social Media and CTV

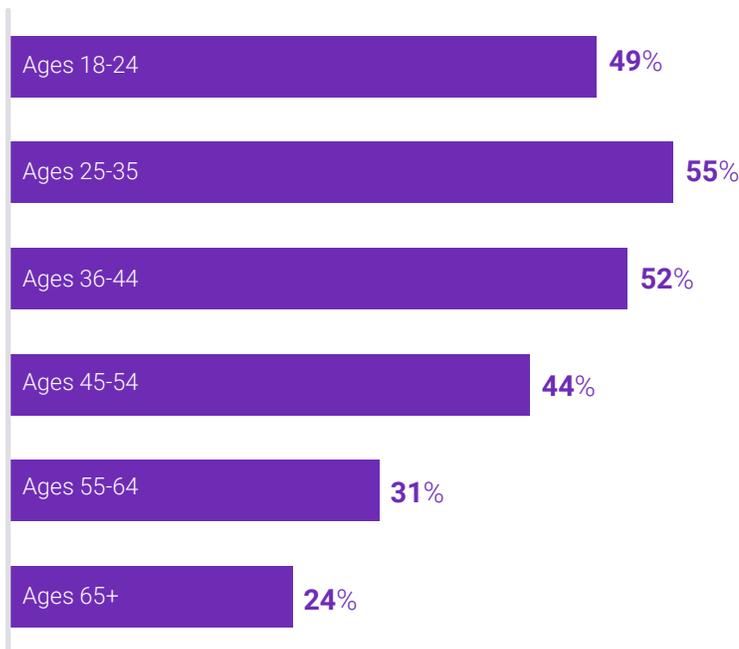
Content consumption has soared during the COVID-19 pandemic. Globally, consumers have more time to fill and a clear need to stay informed. On average, consumers have doubled the amount of time they spend each day consuming content – from 3 hours 17 minutes, to an average of 6 hours 59 minutes.

That growth isn't siloed. Across every content type and channel surveyed, consumption is up. The biggest surge in consumption was on social media, with 48% of consumers spending more time on social platforms (e.g., Facebook). Meanwhile, 47% are spending more time reading online news and an equal percentage has increased use of streaming services like Netflix.

% OF CONSUMERS INCREASING TIME SPENT ON EACH CHANNEL DURING THE PANDEMIC



% OF AGE GROUPS INCREASING TIME SPENT USING CTV DEVICES



User generated content (UGC) is keeping younger generations occupied with 40% of 18-24 year olds using TikTok more during the pandemic.

To stream content (or check TikTok), consumers are using smartphones and, increasingly, Connected TV devices (CTV). 44% of consumers state they're using CTV devices more since the pandemic began and 54% are using their smartphone more.

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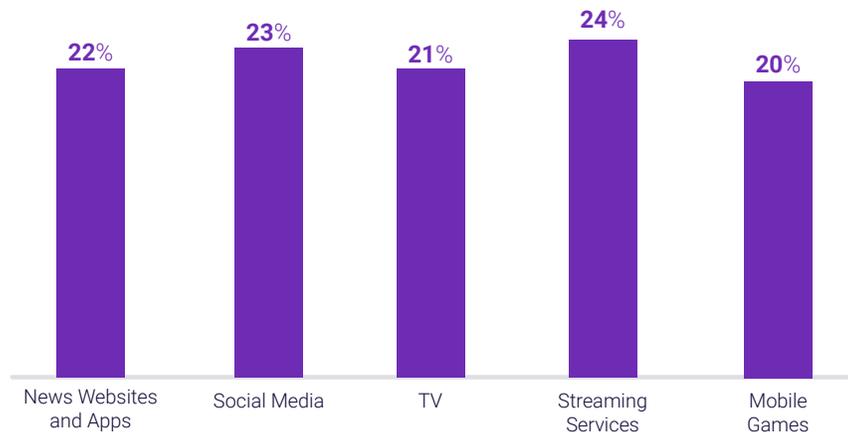
Not surprisingly, the lock-down fueled by COVID-19 has accelerated an appetite for CTV, which was already growing organically. Research from the IAB earlier this year indicated a 46% year-over-year increase in CTV ad budgets¹. Based on this surge in CTV adoption, budgets are expected to rise further in 2020 and beyond.



Consumers aren't just consuming more content, they are also selective in the type of content and the channels through which they are viewing it.

Nearly one in four consumers (24%) have newly subscribed to a free publication to access trusted information in the last few months. In part, this is due to the increasing importance consumers place on keeping pace with the fast-evolving news cycle, and recognition of the need to avoid fake or inflammatory news. This expressed focus on trusted news also aligns with an acceleration of subscription revenue growth — both within video streaming services and online media sectors (including newspapers and magazines), which have seen revenues grow between 9-14% year-on-year².

% OF CONSUMERS EXPECTING TO INCREASE TIME SPENT ON CHANNELS POST-PANDEMIC



The surge in content consumption presents both new opportunities and challenges for advertisers. While the changes this year have been rapid, they appear to be long lasting.

With the majority of consumers stating they don't expect to return to pre-pandemic levels of content consumption, the ad ecosystem needs to adapt strategies accordingly.

¹IAB COVID Impact on Ad Spend 2020

² Zuora Report - Subscription Economy Index™

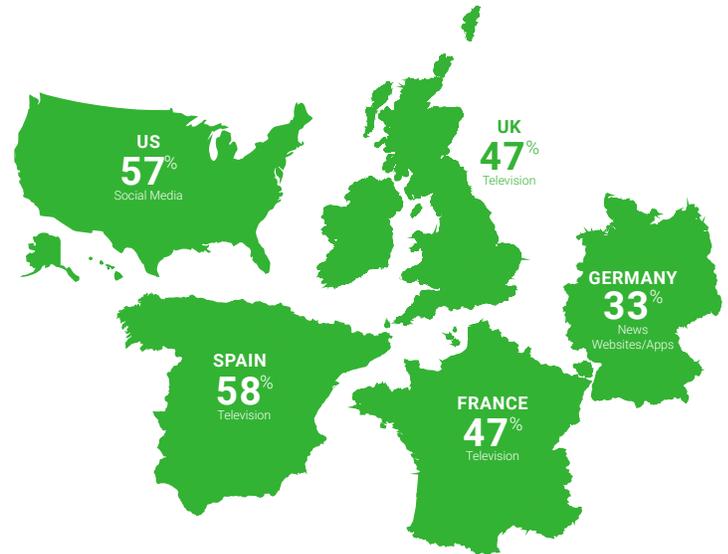
SHIFT
#2

People Are Open to Ads - But Brand Suitability Is Critical

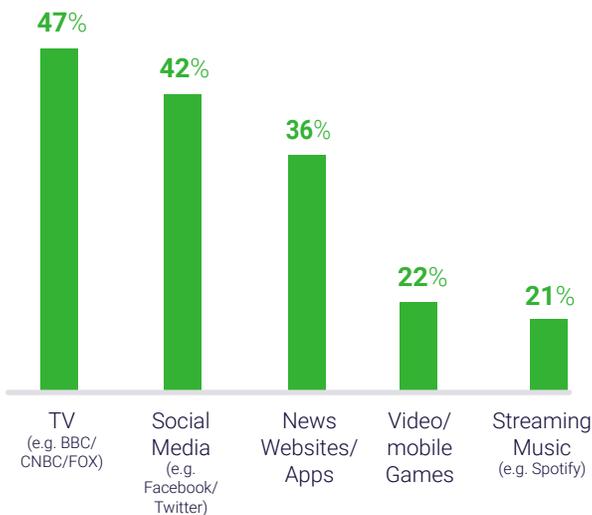
In line with growth in content consumption, almost half (44%) of consumers are trying new brands after seeing a relevant ad alongside content they're viewing. However, this appetite is not uniform across brand verticals. Variations across countries and age groups add further complexity.

This complexity, combined with expressed frugality – the vast majority (74%) of consumers are trying to spend less money this year – means advertisers need to work smarter. Thoughtful brand suitability strategies are vital to ensure brand-content alignment, and to secure consumer interest and loyalty.

PREFERRED CHANNEL TO CONSUME ADS BY COUNTRY



CHANNELS ON WHICH CONSUMERS ARE MOST RECEPTIVE TO ADS



Globally, respondents over 45 years of age prefer to see ads on TV while audiences under 45 prefer to engage with ads across social media. In addition, differences are clear in terms of how ads are served to consumers at a country level. In the US, 57% (more than any other nation) prefer to see relevant ads on social media. This should be top of mind for marketers, particularly as the digital campaigns for the November election gather momentum. On social channels, it's particularly important that steps are taken to ensure brand suitability, given the risk posed by user generated content.

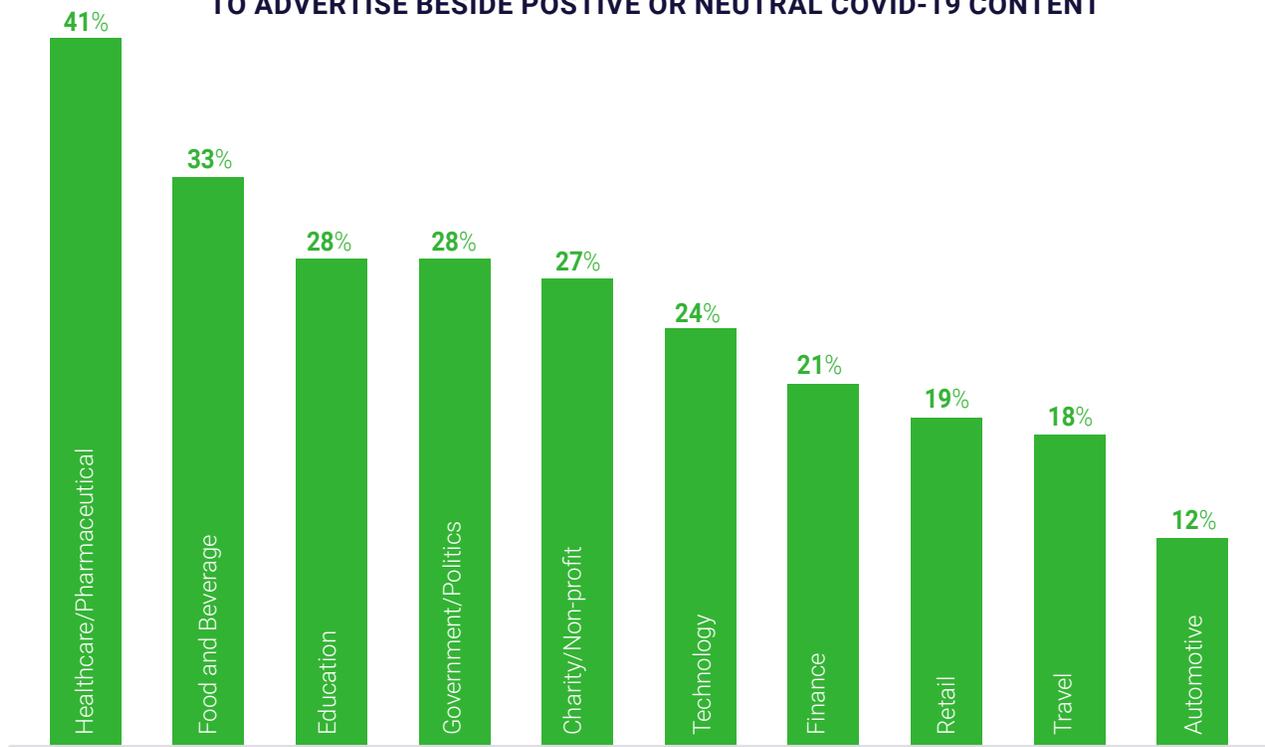
In contrast to the US, TV is the overall preferred channel for relevant ads in the UK, France and Spain. Meanwhile, German consumers expressed an overall preference for ads to appear on news websites/apps.

Recognizing where consumers are open to seeing ads is essential, but the importance of trust should not be underestimated. Consumers value credible environments and this has an impact on brand associations. The large majority (67%) of consumers are more likely to engage with an ad on the website of a publisher they know and trust.

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However, the environment alone is not an absolute trust factor. Consumer reception to ads also varies depending on brand-content alignment. As it relates to positive or neutral COVID-19 content, for example, nearly half (41%) of consumers believe it's appropriate for healthcare brands to advertise beside content related to the pandemic, while just 18% report the same for travel brands.

BRAND VERTICALS CONSUMERS DEEM MOST APPROPRIATE TO ADVERTISE BESIDE POSITIVE OR NEUTRAL COVID-19 CONTENT



The imperative for brand suitability goes beyond COVID-19. Complex, rapid and international news cycles are the new normal in an increasingly global and connected world. Yet this shouldn't intimidate brands. The growth in content consumption combined with the proliferation of devices and delivery modes presents a significant opportunity for brands. Brand-content alignment constitutes competitive advantage — in terms of brand loyalty and commercial outlook.

SHIFT
#3

Navigating News Cycles Requires Increasing Nuance

As seen in recent months, international news cycles are accelerating and becoming increasingly complex. For brands seeking to advertise, the challenge this presents is compounded by the threat of fake and inflammatory news.

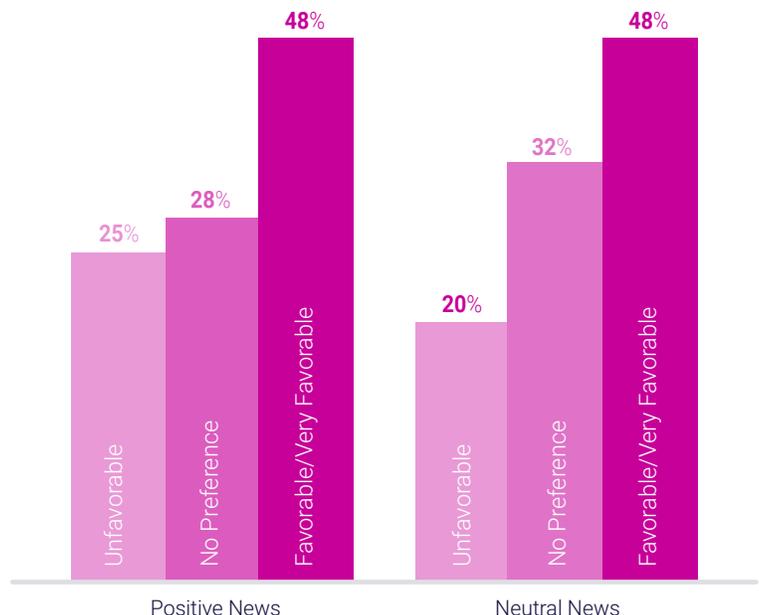
Nearly half of consumers (48%) are favorably disposed toward ads that appear alongside neutral or positive COVID-19 content, e.g., community success stories.

With unsuitable placements undermining consumers' likelihood to engage with an ad, or purchase a brand product, it's essential that brands are context-aware. Moreover, fast-evolving news cycles such as COVID-19 or the US election cannot be viewed through a binary lens; not all content related to these topics is negative. Ads beside positive and neutral COVID-19 stories, for example, are more likely to receive favorable consumer responses.

In fact, nearly half of consumers (48%) are favorably disposed toward ads that appear alongside neutral or positive COVID-19 content, e.g., community success stories. Whereas just 20% are unfavorable to neutral content and 25% to positive content.

With this in mind, over half (53%) of consumers are more likely to look at ads on a publication's homepage than on a different section of an online publication. So, while brands may be reluctant to appear beside a variety of possible news stories on a homepage, consumers aren't opposed to seeing ads in this context. As a result, brands may consider setting specific strategies for high-traffic gateway pages, such as home — or section pages — in order to boost receptivity and reach.

CONSUMER FAVORABILITY TOWARD ADS ADJACENT TO POSITIVE AND NEUTRAL COVID-19 CONTENT



Over half of consumers say it would negatively impact future purchase decisions if they were to see a brand advertised next to false or misleading content.

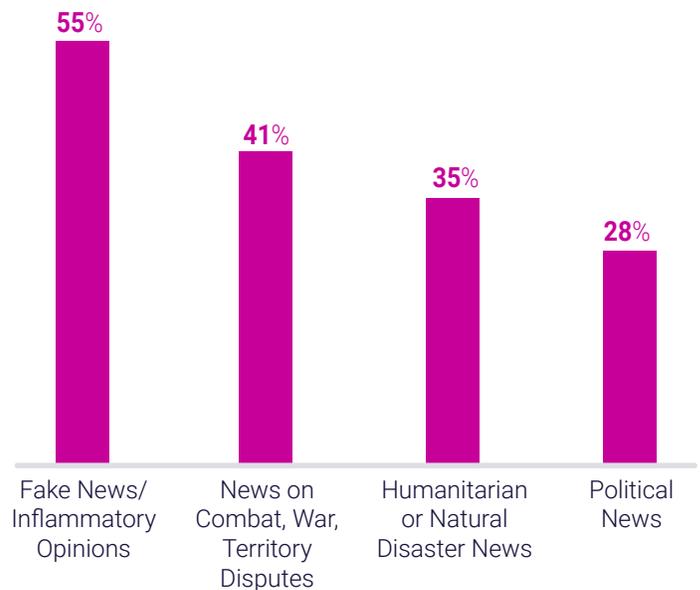
These insights highlight that not all content is equal. Understanding the sentiment of content is important, as not all pandemic coverage is negative, for example. However, a grasp on sentiment doesn't automatically mean that content is brand safe. News cycles are nuanced and sentiment only informs part of the solution.

A pressing threat to brand safety is fake and inflammatory news. Over half (55%) of consumers say it would negatively impact future purchase decisions if they were to see a brand advertised next to false or misleading content. As such, placements alongside fake news represent a greater risk of brand damage than placements alongside factual news on both war and natural disasters, which 41% and 35% respectively say would negatively impact their future purchase decisions.

The research shows that, as news cycles have become increasingly complex in 2020, consumers are highly cognizant of content's factual accuracy, bias, sentiment and alignment with ads that appear beside it.

This does not mean, however, that brands should avoid some topics wholesale - like news. As the data shows earlier in this report, consumers are favorably disposed to ads on trusted news sites, so the key is to be able to employ granular brand safety controls so as not to limit scale.

THE ADVERSE IMPACT CONTENT TOPIC HAS ON ADVERTISING EFFECTIVENESS



% of consumers whose brand purchase decision would be negatively impacted by brand ads alongside the following content

SHIFT
#4

A Future Built on Contextual Ad Approaches Powered by AI

The world of advertising is in a state of flux. COVID-19, in tandem with longer-term trends like increasing data regulation, consumer privacy measures and the emergence of new channels (CTV) mean marketers have to adapt. As advertisers shift approaches, it's clear that contextual targeting will play an important role in their future strategies. Over two-thirds of consumers (69%) say they are more likely to look at an ad that is relevant to the content they are viewing, and this converts to purchases - with almost half (44%) saying they have recently tried a new brand thanks to relevantly placed ads.

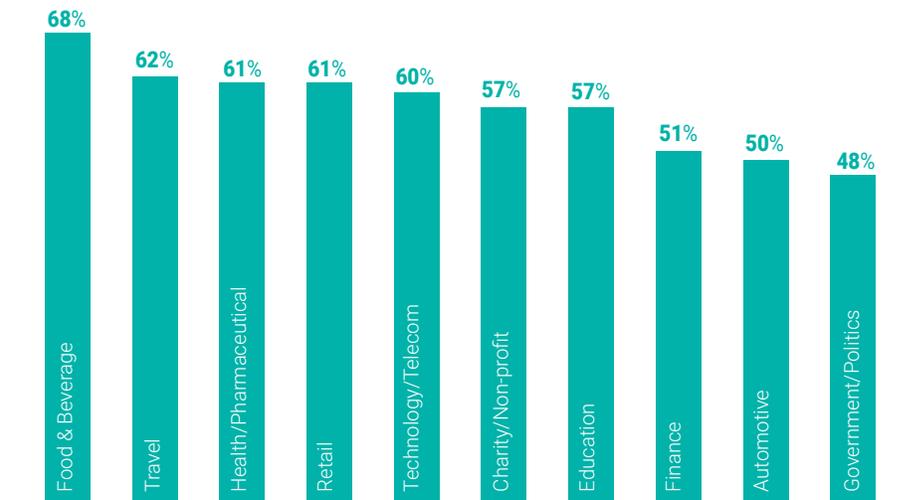
69%

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This insight varies depending on the type of brand. For food and beverage, travel and healthcare brands, contextually relevant advertising is particularly effective in triggering a clear call-to-action for consumers. For example, 68% of consumers are more likely to respond to food and beverage ads that appear beside relevant content, once they have viewed that content.

Through contextual targeting, advertisers can frame campaigns around consumer interest and intent, helping advertisers to reach consumers in a suitable, relevant and privacy-friendly way.

BRAND VERTICALS CONSUMERS ARE MORE LIKELY TO ENGAGE WITH UPON SEEING ADS ALONGSIDE RELEVANT CONTENT



The main challenge with contextual targeting is in understanding the true context of the content an ad appears beside. This is more than simply understanding what each individual word means. It's understanding the true ontological nuance, tone and subtlety inherent to any piece of content.

Millions of words, phrases, colloquialisms and acronyms are being used across the internet in hundreds of languages, across billions of web pages. Parsing meaning from each piece of content is therefore a complex undertaking. However, new technology is making it an easier task.

Future-Ready: Custom Contextual Targeting Powered by AI and Semantic Science

DoubleVerify enables brands to place ads through custom contextual targeting, maximizing the value of their spend by offering consumers experiences relevant to the content they are looking at.

Custom contextual targeting is less invasive, and less likely to induce ad-fatigue than a cookie-based or behavioral approach — without sacrificing accuracy. It places ads where consumers are most receptive to them — alongside highly relevant content, while allowing advertisers to comply with global initiatives like the European Union's General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA).

Using contextual targeting segments enables brands to improve campaign performance by reaching consumers based on the relevance of the content they are consuming. This pinpoint precision also helps publishers monetize content, by potentially opening additional campaign scale and reach.

Custom contextual targeting's granular, bespoke placement is possible through in-depth textual analysis that combines both machine-learning, human expert analysis and cutting-edge semantic science technology to make sense of complex language found across diverse content pools. It uses this approach to drive accurate content classification at the page level and ensure, deep, accurate coverage.

DoubleVerify's sophisticated technology understands the nuances of language — from synonyms to languages, acronyms or tone — to enable brands to place ads in a context to which consumers will respond positively.

4 Key Take-Aways: Shifts in Media & Advertising During 2020



Content consumption is growing and appetite for CTV has spiked.

In the wake of the pandemic and a fast-moving news cycle, content consumption is soaring globally. CTV device usage in particular is surging, signaling the growing importance of the channel. This growth in content consumption behavior is set to continue post-pandemic.



Safety and relevance are even more essential. Most consumers will engage with ads if they appear beside relevant content. But with consumers looking to conserve spending and brand-content alignment being scrutinized more, brand suitability is an imperative.



Navigating the news requires more nuance than ever. Consumers aren't averse to brand experiences. They simply want them in the right place, at the right time—this means understanding the context of news content at a granular level. Brands need to grasp the complexity of the news agenda, and be ready to respond appropriately. This doesn't mean avoiding ads on news content, however. Rather, it means embracing a brand-suitable approach that employs an array of settings to carefully balance protection and scale in support of trusted news.



The future is contextual. The entire ad ecosystem and consumers are demanding a shift away from targeting solutions that rely on cookies. DoubleVerify's AI-powered solution, leveraging deep semantic science expertise, is paving the way for brands to maximize the value of a holistic advertising strategy — one that incorporates both brand suitability protection, as well as positive contextual targeting to drive outcomes.

To learn more contact Sales@DoubleVerify.com or visit us at DoubleVerify.com

Research Methodology

The study was conducted by Sapio Research, in collaboration with DoubleVerify, between May and June 2020 using an online survey. 10,025 consumers were surveyed across France (2000), Germany (2022), the UK (2000), US (2003), and Spain (2000).



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